integration and economic growth in the region. Positive response has been received only from Sri Lanka in this regard. Currently, negotiations are taking place between India and Sri Lanka on the proposed bilateral Free Trade Agreement. The first round of discussions was held during November 16-17, 1998. The details of the terms of the Agreement are *still under negotiation.*

Strengthening trade relations with neighbouring countries will imporve India's market access in SAARC countries which is expected to increase economic activity, growth in output and improved employment opportunities for the common man.

Appointment of Outside Consultancy to Study India's Exports

1578. SHRI RAGHAVJI: Will the Minister of COMMERCE be pleased to state:

(a) whether Government propose to appoint an outside Consultancy to study India's exports and make recommendation for near, mid, long-term measures with special reference to WTO related issues; and

(b) whether Government propose to entrust the job to the Indian Institute of Foreign Trade which is their own organisation and is fully funded by them in case any outside consultancy is not appointed?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) No, Sir.

(b) The IIFT is already closely involved with Ministry of Commerce in conducting various studies relating to export strategy and WTO issues. The IIFT has also been requested to set up a Centre for WTO Studies for focussed academic attention on WTO related issues.

Earnings from Trade Fair, 1998

1579. SHRI K.M. KHAN:Will the Minister of COMMERCE be pleased to state:

(a) what was the total earning from sale of entry tickets separately from adults, minors during India International Trade Fair, 1998 during Public and non-public h· ·rs;

(b) what utilisation is to be made from this earning by India Trade Promotion Organisatioin;

(c) what was the total earning made by each State Pavillion especially Andhra Pradesh with utilisation of the same by each State;

(d) what is the total earning made by Railways during I.I.T.F 1998 for carrying the passengers to the Fair;

(e) what was the total earning from parking lots constructed near connecting Railway station to I.I.T.F. 98; and

(f) what utilisation is to be made from the earnings as in parts (d) and (e)?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) The deails of total earning from sale of entry tickets of India International Trade Fair, 1998 (IITF' 98) are given below:

Amount (Rs. in lakhs)

	Adults	Children (5 to 12 years)	Total
During Public hours	136.08	7.66	143.74
During non-Public hours	16.79	—	16.79
Total	152.87	7.66	160.53

(b) The earning are treated as normal income from the activities of India Trade Promotion Organisatioin (ITPO) and are not earmarked for any specific activity.

(c) The details of earnings made by State Pavillions and their utilisation are not maintained, separately by ITPO.

(d) The Railway's share of earnings from the sale of tickets was Rs. 7,42,946 only.

(e) The Railways earnings from the special parking lots made at Safdarjung, Patel Nagar and Brar Square was Rs. 7,308/- only.

(f) The earnings are part of overall Railway earnings.

Decline in Exports

1580. SHRI ANANTRAY DEVSHANKER DAVE: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that there is a decline of 17 per cent in export, as reported in the Times of India dated the 4th August, 1998;

(b) if so, the reasons therefor; and

(c) the measures Government have taken or propose to take to boost up the export and compete in the world market?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): (a) Yes, Sir. There was a decline in the month of May, 1998;

(b) The exports have been affected due to a general slow down in world trade, expecially recession in many countries in South East Asia, Japan & Germany, domestic supply constraints in some sectors such as agricultural commodities and barriers faced in markets of European Union;

(c) A number of steps have already been taken to promote exports which include lowering of interest rates on export credit, reduction in transaction cost through decentralisation and simplificaiton of procedures, and various other measures as enumerated in the Exim Policy. A Cabinet Committee on Foreign Trade has also been set up to review export performance.

Trade Relations with China

1581. DR. ALLADI P. RAJKUMAR: Will the Minister of COMMERCE be pleased to state the action taken to maintain trade relations with China vigorously?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE): Maintaining the trade relations with China is a continuous effort. The relationship is based on the bilateral trade agreement between the two nations. Joint Groups on Economic relations and trade, Science and Technology, besides Working Groups on Coal and Steel established at the Government level meet periodically. Meeting of the Indo-China Joint Business Council help promote close ties between entrepreneurs of the two countries.

Awareness of each others' capabilities and achievements in various industrial and technological spheres is gained through increased participation in trade fairs and exhibitions held in the respective countries. The first India Technological Exhibition was organized in Beijing in 1997. A Chinese Commodities Fair was organised in New Delhi in December, 1997, with the support of the Ministry of Foreign Trade and Economic cooperation. A trade delegation from India participated in the recently held International Chemical Industry Fair, 1998, held in September, 1998, in Beijing. Another high level Official-cum-trade delegation from the Soyabean Processors Association of India visited China in September, 1998 for promoting exports of India soyameal to China.

India now figures among the top twenty trading partners of China and is China's largest trading partner in South Asia

Action Against Export Defaulters

1582. DR. ALLADI P. RAJKUMAR: Will the Minister of COMMERCE be pleased to state:

(a) the action taken against the export defaulters for not fulfilling their export obligations; and